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DANIEL T. SCANNELL
Member

JOSEPH E. O'GRADY
Chairman

JOHN J. GILHOOLEY
Member

NEW YORK CITY TRANSIT AUTHORITY
Annual Report / 1965-66

Submitted to:

THE HON. NELSON A. ROCKEFELLER
Governor

THE HON. ARTHUR LEVITT
Comptroller

THE HON. WARREN M. ANDERSON
Chairman, Senate Finance Committee

THE HON. HARVEY M. LIFSETT
Chairman, Assembly Ways and Means Committee
OF THE STATE OF NEW YORK

THE HON. JOHN V. LINDSAY
Mayor

THE HON. MARIO A. PROCACCINO
Comptroller

THE HON. FRANK D. O'CONNOR
President of the Council

THE HON. PERCY E. SUTTON
President of the Borough of Manhattan

THE HON. HERMAN BADILLO
President of the Borough of the Bronx

THE HON. ABE STARK
President of the Borough of Brooklyn

THE HON. MARIO J. CARIELLO
President of the Borough of Queens

THE HON. ROBERT T. CONNOR
President of the Borough of Richmond
OF THE CITY OF NEW YORK

*In accordance with Sections 1213
and 2500 of the Public Authorities Law*

In the 1965-66 fiscal year, steady progress was continued by the New York City Transit Authority in operating and improving the city's mass transportation network of subways and buses. This was accomplished despite such occurrences as the Great Power Blackout in November and the strike of transit workers in January.

The massive subway rehabilitation program, for which more than \$1 billion has been spent in the last eleven years, moved forward as more than \$100 million was committed during the fiscal period for more improvements. Many more new subway cars made their appearance in service, more were being built and an advanced design for still more was being developed. Station platform extensions, modernization of signal systems, orders for two-way radios for buses, continuing construction of new subway trackage and a new station under Avenue of the Americas and many other projects gave tangible evidence of the work under way.

Delivery from the manufacturer of 600 new subway cars, the first major order to be built of stainless steel for the New York City system, was completed during the fiscal year. These cars, known as Brightliners because of their sleek, gleaming appearance, provide a major part of the BMT service for riders in Brooklyn, Manhattan and Queens.

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Delivery of 200 more cars for the IND and BMT service began toward the end of the fiscal year. These cars were built of stainless steel and low-alloy, high-tensile steel by the St. Louis Car Company of General Steel Industries at a cost of \$22,000,000. They are similar in design to the Brightliners and include such features as interior decoration in bright colors, vandal-proof fibreglass seats, fluorescent lighting, wide windows and improved ventilation that incorporates thermostatic controls, variable speed fans and diffused circulation of air.

Although the Brightliner and its successor cars represented a marked advance in the design of subway rolling stock both for attractive appearance and passenger comfort as well as efficiency and economy of operation, the Transit Authority was not satisfied that they represented the ultimate in car design. Accordingly, the industrial designing firm of Raymond Loewy/William Snaith Inc. was engaged as consultants to make recommendations for further improvements. After months of study, research and consultations with car manufacturers and the Transit Authority's car-design experts, Raymond Loewy/William Snaith proposed major refinements. On the basis of these recommendations, specifications were prepared for 400 more subway cars featuring an entirely new look. This included a streamlined end of molded fibreglass raked back 10 degrees from the perpendicular and generally softer lines as a departure from the boxiness of earlier models.

Meanwhile, the Authority had moved to take advantage of Federal legislation that made Federal funds available for mass transportation. A grant of \$23 million was obtained toward the purchase of the 400 cars under the Federal Mass Transportation Act. Another \$23 million was provided by the City of New York from its capital



**Model of new subway car
based on design
recommendations by**

**Raymond Loewy/
William Snaith, Inc., con-
sultants to the Authority.
Specifications for 400 cars
featuring a "new look"
were developed from the
recommendations.**

budget toward the \$46 million total estimated cost of the 400 cars which are expected to be in service in 1968.

In keeping with its role as one of the major agencies operating mass transit facilities in the metropolitan area, the Transit Authority agreed during the year to cooperate in two important projects with the Metropolitan Commuter Transportation Authority, which operates the Long Island Rail Road. One undertaking would lead to the use by the Long Island of tracks of the New York City subway system that would enable Long Island trains to run from Brooklyn into the financial and business district of Lower Manhattan.

The Transit Authority and the Metropolitan Commuter Transportation Authority also agreed to the expansion of the new rapid transit tunnel under the East River between Manhattan and Queens at 63rd Street from a two-track to a four-track facility. Two of the tracks would be used for subway trains of the New York City system and

two would be used by trains of the Long Island Rail Road enabling the latter to provide direct service to the East Side and Midtown Manhattan. A bid had been received by the Transit Authority for the construction of the two-track tunnel at 63rd Street. The site had received final approval by the Mayor and the Board of Estimate. The single bid was opened publicly on August 3 after the invitation to contractors to bid had been publicly advertised. The bid of \$56,464,038 was rejected as "too high."

At the same time the Authority appointed a panel of engineers of outstanding reputation to study the cost of the tunnel and various methods of constructing it. The members of the panel were Parsons, Brinckerhoff, Quade and Douglas of New York, Sverdrup and Parcel of St. Louis and Gibbs and Hill of New York.

In the vital area of communications, the Authority moved in several directions to use modern equipment both for improvement of service and protection of passengers and employees. Provision was made in the Authority's capital budget to extend two-way radio throughout the IRT division of the rapid transit system. This followed a successful test of two-way radio on the East Side IRT between Bowling Green and 125th Street. The Authority also planned to install two-way radio on BMT and IND subway divisions as well in the next few years.

Normally bustling Grand Central station was deserted except for lone Transit Policeman during transit strike from January 1 to 13, 1966.





We're Proud of You...

Your Transit Authority wants to thank the many thousands of passengers who accepted with patience and understanding the inconveniences of the recent power blackout. We deeply appreciate both your fine conduct and the many hundreds of letters you have written us to praise transit employees.

We are especially proud of our employees for the speedy and safe evacuation of nearly one million passengers from more than 600 trains stalled over 237 miles of the transit system. This difficult task was performed in the finest traditions of transit service.

When the lights went out you were at your brightest.

Passengers and transit employees received well-merited kudos from the Authority after the power failure of November 9, 1965.

NEW YORK CITY TRANSIT AUTHORITY

Joseph E. O'Grady
Chairman

John J. Gilhooley Daniel T. Scannell
Member Member

The radio equipment permits instantaneous contact between trains and the chief trainmaster at Transit Headquarters in Brooklyn. Aid may be summoned immediately in case of trouble and delays may be cleared more swiftly. Information for passengers for relay over the train public address system also may be provided more quickly.

Patrolmen of the Transit Police Department on trains and in stations also are equipped with portable radio transmitter-receivers which enable them to obtain help if needed and to receive instructions from the department's headquarters in Brooklyn. Two-way radio is considered an excellent weapon in the campaign to forestall crime on the transit system.

Two-way radio also is being installed in the 4,276 buses operated in the five boroughs of the city by the Transit Authority and its subsidiary, the Manhattan and Bronx Surface Transit Operating Authority. During the fiscal year the Transit Authority contracted with the Radio Corporation of America for more than \$2 million worth of radio equipment for the operation of the surface transit communication system. In addition to the value of two-way radio in summoning assistance where required and in smoothing the flow of bus traffic, each bus also will be equipped with loudspeakers that will enable the driver to make announcements to passengers in the bus or to those waiting at bus stops.

A third step to improve communications was the decision to install public address systems, centrally controlled from Transportation Headquarters in Brooklyn, at the 116 busiest stations of the 481 stations on the rapid transit system. A contract for the installation at a cost of \$488,360 was awarded to the General Signal Corporation's General Railway Signal Company. The new system will permit officials at central transit control to inform passengers at any of the 116 stations, together or separately, about changes in service, delays or other pertinent information.

One of the gravest emergencies ever to occur on the rapid transit system took place on Nov. 9, 1965, at the height of the evening rush hour. Power failed and New York City and the entire Northeast was blacked out. Transit employees and the public responded superbly when stations and tunnels went dark and more than 600 trains carrying nearly one million passengers were stalled all over the system.

Patiently and with a minimum of excitement passengers were evacuated from trains and guided to places of safety. Food and blankets were brought to others who chose to remain where they were. Off-duty transit workers reported to stations near their homes with emergency lamps and flashlights to help. Extra bus service was provided through the night and buses departed from regular routes on orders from Transit Authority officials to carry passengers closer to their destinations. The Authority's power experts worked with those of the Consolidated Edison Company, which supplies all of the power for the rapid transit system, to restore service as swiftly as possible.

Since the blackout, representatives of the Transit Authority have worked on a committee with representatives of Con Ed to devise means for preventing another power failure of such magnitude and to insure that any future interruptions of subway service because of power problems will be of limited duration.

Transit service was interrupted again at 5:00 A.M., Jan. 1, 1966, when members of the operating employees unions struck. They returned to work on Jan. 13 after a new two-year labor contract had been agreed upon with the Authority.

Efforts to improve subway service during the fiscal year included the re-establishment of express service for the full 24 hours every day on the Lexington Avenue IRT line and the continuation of super-express service during midday on the Flushing-Times Square IRT line following the closing of the World's Fair in October, 1965. These super-expresses are primarily for the convenience of riders seeking a speedy trip to stores and other attractions in midtown Manhattan.

For the convenience of passengers on the same line, two new escalators were placed in service at the westerly end of the platform on the lower level of the station at Grand Central, making a total of four installed there to replace old elevators. They have proved a tremendous help in expediting the movement of passengers in this heavily-used station. Each escalator is four-feet wide and can carry 8,000 people an hour. Another escalator was placed in service at Park Place on the Broadway-7th Avenue IRT line, a second was being built there, and others were being installed at the IRT Boro Hall station in Brooklyn and at the Parkchester station on the Pelham Bay IRT line in the Bronx.

The program for modernizing seats by installing vandal-proof fibreglass ones in 1,100 IRT cars was completed and contracts were awarded for such seating in 1,265 IND-BMT cars. The program will enhance the interior appearance of these older cars and materially reduce the cost of repairing and replacing cushion seating of cane and soft plastic that frequently was damaged or destroyed by vandals.

Transit Police Lieutenant Thomas F. Francesc receives congratulations from Authority Members Daniel T. Scannell, John J. Gilhooley and Deputy Mayor Timothy W. Costello at City Hall Awards for Merit ceremony. General Manager Walter W. Schlager Jr. looks on from speakers platform.



Car-washing facilities are in operation at five yard locations, permitting a weekly schedule of exterior cleaning. To insure continuous operation of the car-washers, wells are being driven at the five sites to insure a supply of water should another drought develop. During the recent water shortage washing of cars and stations had to be drastically curtailed. In a further effort toward greater cleanliness on the rapid transit system, a tunnel-washing train is being built by the Cars and Shops Department. Additional car-washing equipment is being installed on the IRT Division and existing car-washers at the 207th Street yard in Manhattan and the Corona yard in Queens are being modernized.

The work of the Maintenance of Way Department is to keep all the physical facilities of the rapid transit system in good shape, apart from the cars which are the responsibility of the Cars and Shops Department. Some statistics tell the story for 1965-66. During that fiscal period, Maintenance of Way replaced 43.13 miles of old track with new, replaced 30 outmoded switches with new ones, installed 79,800 new ties, ground 209.67 miles of track, installed 8.48 miles of contact rail and installed 26,636 feet of cable. All of these things helped to insure that passengers in subway trains would get a smoother, safer and more reliable ride.

The Maintenance of Way Department also is concerned with the cleanliness of the system. During the 12-month fiscal period, the vacuum cleaning train was used to remove paper, steel dust and other trash from 590 miles of track in front of station platforms and 480 miles of track between stations in areas where high accumulations of debris occur. Frequent repeat visits to many areas were necessary. More than 400 miles of subway walls and ceilings were washed. Pails and brushes were used instead of hoses to save water during the shortage.

Many projects were planned or under way in the fiscal year for improvements to the rapid transit system that would benefit passengers in many ways.

The connection between the BMT and IND at Chrystie Street in Lower Manhattan and new subway tracks to enlarge capacity under Avenue of the Americas moved rapidly toward completion. These projects will make possible further unification of the two rapid transit divisions, permitting greater flexibility and economy of train operation.

The Chrystie Street connection was complete save for installation of signals and interlocking equipment and physical connection to existing tracks. By the end of the fiscal year, signals and interlocking equipment were 65 per cent complete. The link with existing tracks to place the new facility in operation can be made in a matter of hours.

Construction of the new tunnel under Sixth Avenue between West Ninth Street and West Thirty-first Street was completed during the fiscal year. By the end of the year, installation of track and contact rail for power was 81 per cent completed. Construction of signal enclosures had progressed to 54 per cent of completion.

A two-track extension of the subway between West Fifty-second and West Fifty-eighth Street under Avenue of the Americas (Sixth Avenue), including a new station at Fifty-seventh Street, was 77 per cent complete by the end of the fiscal period.

The lengthening of station platforms continued on the IRT and BMT divisions. This project will permit operation of longer trains, thus increasing the passenger-carrying capacity of the subway system.

On the BMT Brighton Beach line, platform extensions went forward at the stations at Avenue H, Avenue J, Avenue M, Kings Highway, Avenue U, Neck Road, Brighton Beach, Ocean Parkway, West 8th Street and Stillwell Avenue.

On the IRT Broadway-7th Avenue line, platforms were being extended at the stations at Rector Street, Cortlandt Street, Chambers Street, Franklin Street, Canal Street, Houston Street, Christopher Street, 14th Street, 18th Street, 23rd Street, 28th Street and Penn Station.

Plans and specifications were prepared for platform extensions on the BMT at stations on the Broadway-4th Avenue line between Whitehall Street and Lexington Avenue in Manhattan, at Court Street and Lawrence Street in Brooklyn and between Pacific Street and 95th Street in Brooklyn.

Bids were received for the construction of a new terminal station at 148th Street and Lenox Avenue on the IRT to replace the station at 145th Street. Signals and tracks between 141st Street and 145th Street will be modernized. The project will involve construction of two schools above the subway yard at 148th Street. Modernization of signals and tracks in the yard will be required and the costs of this will be shared by the Transit Authority and the Board of Education.

Wooden station platforms were replaced with concrete during the year at Zerega

Avenue, Westchester Square, Middletown Road, Buhre Avenue and Pelham Bay Park on the IRT Pelham Bay Park line. Similar replacements at 18 stations on the IRT White Plains Road line were planned for the next 12 months.

The replacement of incandescent lighting with more brilliant fluorescent at stations went on. By the end of the fiscal year, the Authority's brighter lighting program had resulted in installations at 101 IRT stations, 74 BMT and 26 IND. Plans call for installations during the next five years at 88 more IND stations and one more IRT station.

Plans, specifications and contracts were being prepared for two new escalators at the West 4th Street-Washington Square station of the IND, and on the BMT a new escalator at the West 8th Street station of the Brighton Line, two at Court Street, two at the Myrtle Avenue station on the 14th Street-Carnaesie line, one at Atlantic Avenue on the Brighton line, one at Lawrence Street on the Broadway-4th Avenue line, all in Brooklyn, and one at the Whitehall Street station in Manhattan.

Transit Authority Member John J. Gilhooley congratulates Robert H. Rapp (left) on his appointment as Chief of the Transit Police Department and Bernard J. Morris on his appointment as Deputy Chief.



Transit Authority Member

Daniel T. Scannell
accepts Silver Plaque in
recognition of the safety
record set by Authority
buses in 1965 from
Edgar A. Claffey, presi-
dent of the American
Transit Association.



In the Authority's program for modernizing its power distribution system, work moved toward completion on new substations at Broadway and 73rd Street, Lenox Avenue and 113th Street, and Lenox Avenue and 141st Street, all on the IRT. Construction was started on new substations for the BMT at 16th Avenue on the Sea Beach line, East 103rd Street on the 14th Street-Canarsie line and 144th Place on the Broadway-Jamaica line. Preparations were made for six more new substations on the IRT and three more on the BMT.

In addition, the Power Department advanced the installation of new power rectifiers at two substations that serve the BMT Brighton line and prepared for similar installations at three substations serving the IND in addition to the projects already mentioned. Work also advanced on new cable installations where required to insure the dependability of the power distribution system.

The reinforcement of substations is being carried out to meet the power requirements of new high-acceleration subway cars and the increased number of trains to be operated. New stations that are centrally-controlled are replacing old manually-operated substations that have become obsolete.

Modernization of the Coney Island Yard, at a cost of \$15.4 million, continued. Installation of new track and power contact rail was completed in October, 1965. Construction of circuit-breaker houses, duct lines and floodlight tower, and installation of additional lighting and power in the yard were undertaken during the fiscal year. Bids were received for construction of a new signal tower at the yard.

The signal modernization program also went forward. A total of 120 new signals, 38 power-operated switches and a new pushbutton control panel were placed in operation during the fiscal year. Signal rehabilitation on the East Side IRT between Atlantic Avenue, Brooklyn, and Wall Street, Manhattan, and on the Broadway-7th Avenue line from 96th Street to 242nd Street, was completed. Similar work on the East Side IRT north of 86th Street to north of Third Avenue on the Pelham line was 41 per cent complete. Preparations were made for signal modernization on the BMT Manhattan Bridge lines between Canal Street, Manhattan, and Myrtle Avenue, Brooklyn.

In connection with its normal maintenance work and the many improvement projects during the 1965-66 fiscal year, the Transit Authority's material inspection division tested and analyzed a great variety of materials worth \$21 million to make certain that they met the specifications and high standards insisted upon by the Authority.

Tests and experiments designed to provide better buses were a highlight of the Surface Department's activity. More than 200 buses were involved in these projects, which included tests of four types of air conditioning units, three models of radial and tubeless tires, automatic lubricating systems and five types of brake linings.

The continuing effort to reduce air pollution through exhaust control has resulted in the installation of crankcase ventilating devices on some 200 automobiles and trucks operated by the Transit Authority.

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Keeping subway service safe and efficient requires many skills. Here Angelo C. Fiorillo of the Maintenance of Way Department flirts with danger as he welds a "live" section of third rail.



This equipment channels crankcase fumes back into the motor where they are consumed. In addition engine modifications are being made where possible to improve fuel combustion and reduce smoking on all Transit Authority buses.

In a continuing effort to adjust service to changing rider demands, four new lines were opened, two routes were modified, two were discontinued and regular routings were restored on two lines diverted for more than a year as a result of repairs made on the Metropolitan Avenue Bridge between Brooklyn and Manhattan.

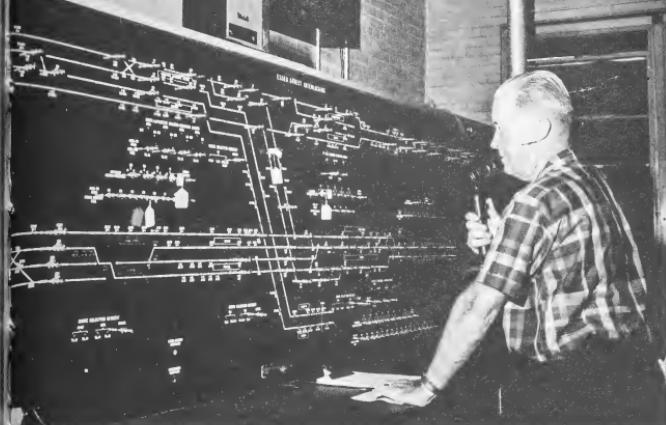
Studies were undertaken in a number of areas to determine the need for changes in bus service indicated by highway construction and shifts in population. Among these were the requirements for Kingsboro, Staten Island and Queens Community Colleges; the impact of the Manhattan and Brooklyn Civic Centers; the effect of the proposed Cross-Brooklyn Expressway, the Clearview Expressway and the Downtown Cross-Manhattan Expressway. The demands of the Flatlands, South East New York and Canarsie sections of Brooklyn are also under study.

Considerable progress was made in the program to provide the public with quick and easy access to bus information. The installation of schematic route signs, posted at bus stops, was completed in Manhattan, while 57 Brooklyn routes and 18 Queens routes were marked. Distribution of individual route maps and schedules was begun in September, 1965 and is proceeding.

During the year, 190 new buses replaced older types operating out of the East New York depot in Brooklyn and the Jamaica depot in Queens. Eleven new cars and 16 new trucks replaced older service vehicles. Fare boxes more than 17 years old were replaced with 1,250 new models designed to handle a greater number of coins.



Sprays of water and detergent remove grime from subway car as part of the Authority's cleanliness program. Car-washing equipment fed by specially dug wells is being installed in all car storage yards.



Constant vigilance keeps train operations flowing safely and smoothly. Here Francis Byrne, a signal tOWERMAN, checks signals and switches at the Essex Street tower that controls sections of the IND and BMT.

For the fourth time in the last eight years, the Authority won the Silver Plaque of the American Transit Association, symbolic of the best safety record among surface systems serving urban areas of 1,000,000 population or more.

The Authority's annual traffic accident reduction contest was won by drivers from the Fresh Pond Depot in Queens with a 24 per cent decrease over a comparable period in 1965. The drivers of the Flatbush Depot, Brooklyn, won the passenger accident competition with a reduction of 8 per cent.

National Safety Council driver awards were issued to 3,540 of the Authority's 5,100 bus operators. Of these, 437 received eight-year pins and 464 received seven-year pins.

Surface personnel participated in a variety of training programs ranging from a familiarization course at the Flexible Company plant in Loudonville, Ohio, where Authority buses were being assembled, to refresher training for operators.

The appointment of Robert H. Rapp as new Chief of the department, the training of 1,739 men and seven women to augment the Authority's anti-crime program and major administrative changes necessary to manage the nation's eighth largest police force highlighted the work of the Transit Authority's Police Department. By the end of the 1965-66 fiscal year the force numbered 2,740.

Meanwhile, as a result of the expanded force and earlier efforts, there was a 46.8 per cent decrease in arrests, a 16.2 per cent drop in Youth Division referrals and a 9.3 per cent increase in the number of summonses issued, compared with the previous year, reflecting the effectiveness of additional police in reducing crime in the subways.

There was a decrease of 33.1 per cent in crimes reported with a 17.6 per cent drop in felonies and a 17 per cent decline in misdemeanors.

The deterrent effect of manning all trains and platforms with uniformed men from 8:00 P.M. to 4:00 A.M. resulted in a 36.1 percent reduction in the crimes reported

during these hours. Felonies declined 54.3 per cent — from 504 to 230 — and arrests were down 37 per cent — from 2,753 to 1,736.

This night coverage, together with Operation Shield, a program of afternoon coverage designed to curb youth rowdyism, resulted in a decrease in youth arrests for more serious crime of 24 per cent — 366 in 1964-65 vs. 278 in 1965-66.

Growing pains were the immediate problem of Chief Rapp upon his designation on May 20, 1966. To cope with them a new planning division was created consisting of a planning and research unit to explore and evaluate equipment, facilities, records, policy, personnel and procedures, and an inspection and review unit to evaluate operations. Its mission is to determine whether the resources of the department are being fully utilized, insure compliance with regulations and procedures, determine whether anticipated results and objectives are being realized, and uncover needs and deficiencies.

The responsibility for administration has been assigned to the headquarters division, investigation is the task of the detective division and operations is assigned to the patrol division.

As a result of the rapid expansion of the force, the post of Chief of Patrol was created to administer day-to-day operations, a duty formerly performed by the Deputy Chief.

Growth also dictated a larger compliment of officers and sergeants to supervise incoming patrolmen, and a larger civilian staff to service the department. Existing civil service lists provided 14 men for ranks above captain and 59 for the rank of captain, lieutenant and sergeant. But it was necessary to grant provisional ranks to 11 captains, 59 lieutenants and 93 sergeants, pending the holding of new examinations. The civilian staff was expanded from 21 to 51, and the full quota of 75 is expected to be reached soon.

Transit Authority employees benefit from suggesting improved work procedures and equipment. Harold G. Osorio, here at his work-bench, won \$1,000 for developing a device to improve electric generator performance in subway cars.



This new signal tower and crew quarters for the Coney Island subway yard is part of the \$15.4 million modernization of the yard.



New or expanded quarters for the force are being constructed at the following rapid transit stations:

- Manhattan: 145th Street and Eighth Avenue, Chambers Street-Hudson Terminal, Grand Central Station.
- Brooklyn: Hoyt and Schermerhorn Street, Seventh Avenue near Ninth Street, Metropolitan Avenue near Lorimer Street, Stillwell Avenue Terminal, Franklin Avenue and Eastern Parkway.
- Queens: Roosevelt Avenue-Jackson Heights, 169th Street-Hillside, Rockaway Park-116th Street.
- The Bronx: East 180th Street-Morris Park, 161st Street at the Harlem River.

Experimentation with technical and electronic equipment designed to control crime continued through the year. The pilot two-way radio communication system in use between 125th Street and Bowling Green on the IRT Lexington Avenue line proved to be an aid to passengers in distress as well as a crime deterrent. Of the 1,181 communications logged during the year, 663 were requests for ambulances, 353 were requests for patrolmen and 129 were requests for patrol wagons to transport prisoners.

In January, 1966, closed circuit television testing began on the IRT division. The 14th Street station of the Lexington Avenue line in Manhattan was equipped with six cameras on the northbound platform. Five cameras were installed on the southbound platform of the 149th Street Grand Concourse station in the Bronx. In April, a network of 10 cameras covering various locations on the 34th Street station of the Seventh Avenue line in Manhattan went into operation.

Operation Shield, an intensive policing of certain areas of the city during school dismissal hours, was initiated in December, 1965. Teams of policemen, including recruits, were assigned to this work. They were equipped with walkie-talkie units to provide speedy communications between officers stationed aboard trains.

In line with developing techniques and technology, several members of the force attended special courses, including a session on "Mob and Riot Control," sponsored

by the FBI and the New York State Chiefs of Police; a two-day seminar on "The Crisis in Police Management," presented by the Academy of Police Science; an "Orientation Course in Data Processing" at the New York City Police Academy. Twenty-two members attended the College of Police Science of the City University of New York.

During the year 152 members of the force were decorated by the City for extraordinary police work and for acts of valor above and beyond the call of duty.

Negotiations with unions representing transit employees for a new contract began as the fiscal year approached midpoint. Demands by the Transport Workers Union and the Amalgamated Transit Union were received on November 2. When two months of collective bargaining sessions failed to produce agreement, the unions struck at 5:00 A.M. on January 1 and the vast transit system ground to a halt.

A settlement finally was achieved in the early morning of January 13. Within hours trains and buses began carrying passengers again and by noon service was normal. The two-year contract that was agreed upon was estimated to cost the Transit Authority \$52 million in increased wages and benefits over its two-year life for hourly-rated employees. Its principal provision was for a 4 per cent wage increase effective in January 1966, a 4 per cent wage increase on Jan. 1, 1967, and a 7 per cent increase on July 1, 1967.

Other provisions included an additional retirement allowance of \$500 a year for hourly-rated employees who retired after Jan. 1, 1966; an additional holiday each year, making a total of 10, and the supply by the Transit Authority of uniforms to subway conductors and bus operators.

As the fiscal year ended on June 30, 1966, the Authority had 36,450 employees. The results of operation for the fiscal year ended June 30, 1966 showed a loss of \$60,586,000. This compared with a loss of \$39,719,000 in the previous fiscal year before giving effect to an item of nonrecurring income from the City of \$25,417,000 from the sale of the Transit Authority power plants by the City to the Consolidated Edison Co. in 1959. The increase in loss over the previous year of \$20,867,000 was due to a decrease in revenues of \$11,174,000 and an increase in expenses of \$9,693,000. It should be noted that both revenues and expenses were affected by the transit strike from January 1 to 13, 1966.

Rapid transit operations during fiscal year 1966 resulted in a loss of \$53,228,000 and surface operations produced a loss of \$7,358,000. This compared with a loss in fiscal year 1965 of \$38,635,000 for rapid transit and \$1,084,000 for surface.

The cumulative operating deficit at the beginning of fiscal year 1966 amounted to \$16,733,000. An adjustment of the Transit Authority's pension costs for prior years amounting to \$7,688,000, due primarily to an actuarial recomputation by the New York City Retirement System, reduced the cumulative operating deficit to \$9,045,000.

The loss for the fiscal year ended June 30, 1966, amounting to \$60,586,000, brought the deficit balance from operations to \$69,631,000. After giving effect to two items of contributed capital consisting of \$16,223,000, representing the transfer in 1965 by the City to the Authority of ownership of materials and supplies formerly provided as working capital under the Lease Agreement, and of \$19,000,000 cash grant by the City in 1966 by transfer of funds from the Manhattan & Bronx Surface Transit Operating Authority, the deficit balance at June 30, 1966 was \$34,408,000. The Authority continued to maintain the 15-cent fare throughout the 1965-66 fiscal year.*

Passenger revenue for the fiscal year ended June 30, 1966 showed a decrease of \$12,550,000 consisting of a decrease in rapid transit passenger revenue of \$10,280,000 and a decrease of \$2,270,000 on bus lines. Of the total decrease in passenger revenue of \$12.5 million about \$10 million was due to the transit strike. The balance of the decrease of \$2.5 million was due to a variety of unfavorable factors during the fiscal year which were offset to some extent by a more favorable calendar, primarily in that the number of weekdays exceeded those in the previous year.

The passenger statistics indicated a loss of 80.5 million passengers, representing a loss of 67 million rapid transit riders and 13.5 million bus riders. Practically all of the loss was due to abnormal factors. The largest factor that adversely affected the riding was the transit strike in January. The number of passengers in January compared with January, 1965, showed a decrease of 63 million. Taking into consideration the fact that January, 1965 was an abnormally low month for various reasons, it can be

* A few days after the close of the fiscal year, the Authority regretfully announced that it was no longer possible to hold the fare at the 15-cent level and that, effective July 5, 1966, the fare would be 20 cents.

Pocket guides showing each bus route and its relation to subways and other bus lines were prepared and distributed during the year by the Surface Division.



concluded that the loss in passengers as a direct effect of the strike was about 70 million passengers.

Another item that contributed to the decrease in passengers in 1966 when compared to 1965 was that during the fiscal year ended June 30, 1966 the World's Fair service covered 109 days compared with 181 days in the previous fiscal year, resulting in a loss of about 6.5 million passengers.

The revenues in fiscal year 1966 from sources other than passenger revenue showed an increase of \$1.3 million when compared with the previous year. Income from advertising and station concessions of \$6.4 million, which normally constitute about 85 per cent of such other revenue, was almost the same for both years. The increase of \$1.3 million resulted primarily from a write-off of about \$900,000 from the liability for prepaid transportation. This represents that portion of unredeemed tokens determined to be out of circulation which will not be redeemed for rides on the transit system or be presented for refunds. The write-off was based on a study of tokens sold to the public and the amount outstanding covering a span of years.

The total expenses for the fiscal year ended June 30, 1966, amounted to \$340,448,000 compared with \$330,755,000 for the preceding 12-month period. The net increase of \$9,693,000 consisted principally of increases in labor costs of \$23,722,000, and in related personnel costs of \$6,518,000, totaling \$30,240,000, offset by an increase in reimbursement from the City of \$17,658,000 for the cost of maintaining transit police services and decreases in other items amounting to \$2,889,000.

Salaries and wages, pension costs, social security, and health and welfare benefits amounted to \$314,651,000 representing 112 per cent of the total revenues for 1966. For the fiscal year 1965 these items amounted to \$284,411,000 or 98 per cent of total revenues, adjusted for a nonrecurring credit. The increase of over \$30 million resulted chiefly from changes in rates and working conditions to the extent of approximately \$17 million, an increase in police labor costs of close to \$12 million, increases in costs related to wages over \$6 million and other increases in labor costs of about \$2 million, less a reduction in labor costs of about \$7 million attributed to the transit strike. It should be noted that there was an increase in the credit from the City for Transit Police services of \$17,658,000 offsetting the increased expenditures for police services included in salaries and wages and other costs.

The other items of expenses account for a net decrease of \$2,889,000 when compared with the previous year and include the following: power purchased decreased \$1,024,000, reflecting a decrease on account of consumption of \$1,461,000 and an increase of \$437,000 due to higher average cost per kilowatt hour; maintenance by outside parties decreased \$1,094,000; special credit of \$1,746,000 arising from prior years' capital projects caused an additional reduction of expenses for the fiscal year 1966. The remaining items result in an increase of \$975,000 of which \$645,000 was in material and supplies expense.

Appendix

NEW YORK CITY TRANSIT AUTHORITY

Comparative Statement of Revenues and Expenses (in millions)

	Fiscal Year Ended June 30, 1966	Fiscal Year Ended June 30, 1965	Change from 1965
Revenues			
Passengers	\$270.8	\$283.3	\$— 12.5
Other Sources	9.1	7.8	+ 1.3
	<u>\$279.9</u>	<u>\$291.1</u>	<u>\$— 11.2</u>
Expenses			
Salaries, Wages and Related Personnel Costs	314.7	284.4	+ 30.3
Materials, Supplies, Power	45.3	45.7	— 0.4
Reserves	6.0	6.0	0.0
Miscellaneous	5.8	8.4	— 2.6
Credit from City for Transit Police Costs	(31.3)	(13.7)	+ (17.6)
	<u>\$340.5</u>	<u>\$330.8</u>	<u>\$+ 9.7</u>
Net Income (Net Loss) before nonrecurring credits	<u>\$(60.6)</u>	<u>\$(39.7)</u>	<u>\$+(20.9)</u>
Nonrecurring credit	—	* 25.4	— 25.4
Net Income (Net Loss)	<u>\$(60.6)</u>	<u>\$(14.3)</u>	<u>\$+(46.3)</u>

* Represents payment by the City of installments arising from City's sale of power plants in 1959 formerly included in Revenues — Other Sources.

NOTE: Results of operation for year ended June 30, 1966 affected by transit strike January 1-13, 1966.

REVENUE PASSENGERS (in thousands)

Ten Years from July 1, 1956 to June 30, 1966

Fiscal Year Ended June 30	Rapid Transit	Surface	System Total
1957	1,355,384	414,903	1,770,287
1958	1,319,457	413,050	1,732,507
1959	1,324,054	416,601	1,740,655
1960	1,344,953	431,014	1,775,967
1961	1,362,736	432,371	1,795,107
1962	1,369,507	445,812	1,815,319
1963	1,362,252	457,285	1,819,537
1964	1,366,184	468,821	1,835,005
1965	1,346,021	470,787	1,816,808
(a) 1966	1,284,775	457,869	1,742,644
World's Fair (Excluded above)			
1964	8,323	1,100	9,423
1965	16,864	2,619	19,483
1966	11,064	1,820	12,884

(a) Disruption of service due to transit strike from January 1 to 13, 1966.

NEW YORK CITY TRANSIT AUTHORITY
Statement of Assets and Liabilities at June 30, 1966

Assets

Cash, including \$5,977,000 Time Deposits	\$ 22,147,735
NYCTA Social Security Fund	3,763,611
Accounts Receivable and Accrued Charges:	
Accounts Receivable:	
City of New York	\$15,873,348
Others	1,275,785
Capital Expenditures and Other Charges to be Billed to City of New York and Others	2,005,003
	<u>19,154,136</u>
Less: Reserve for Unreimbursed Capital Expenditures and Other Receivables	<u>440,000</u>
	18,714,136
Accrued Interest Receivable	142,496
Prepaid Expenses and Other Assets	<u>1,721,201</u>
Total Current Assets	<u>46,489,179</u>
Materials and Supplies, at Average Cost	19,208,076
Less: Provision for Inventory Adjustments	<u>1,110,000</u>
	18,098,076
Assets from Funds Derived from Long Term Debt:	
Rapid Transit Passenger Cars	75,650,380
Unexpended Proceeds from Long Term Debt	8,039,720
Debt Amortization Fund with Trustee	1,853,333
Unamortized Debt on Cars Sold to City of New York	<u>1,651,567</u>
	<u>87,195,000</u>
Less: Reserve for Retirement of Cars Through Bond Amortization	<u>695,000</u>
	86,500,000
Deposits from Contractors, Concessionaires and Others	<u>1,823,632</u>
	<u><u>\$152,910,887</u></u>

Liabilities		
Accounts Payable	\$ 9,326,106	
Accrued Salaries and Wages	8,958,356	
Payroll Taxes Withheld and Accrued	7,625,768	
Amounts Payable to the New York City Retirement System	18,903,101	
Liability for Prepaid Transportation	3,236,606	
Estimated Liability for Employee Death Benefits	1,500,000	
Total Current Liabilities		49,549,937
Estimated Amount Accrued for Payment to the New York City Retirement System		28,746,049
Estimated Liabilities:		
Public Liability	\$14,300,000	
Workmen's Compensation	6,400,000	
		20,700,000
Long Term Debt:		
Serial Bonds due November 1, 1966	2,780,000	
Serial Bonds due November 1, 1967 and Successive Years	83,720,000	
		86,500,000
Liability for Deposits from Contractors, Concessionaires and Others		1,823,632
Surplus:		
From Operation:		
Deficit Balance at June 30, 1965	\$ (16,733,162)	
Adjustment of Pension Costs	7,688,249	
Adjusted Deficit Balance at June 30, 1965	(9,044,913)	
Net Loss for the Year	(60,586,481)	
Accumulated operating Deficit at June 30, 1966		(69,631,394)
Contributed Surplus:		
By City of New York (Materials & Supplies)	16,222,663	
By MABSTOA (Surplus Grant)	19,000,000	
		35,222,663
		(34,408,731)
		<u><u>\$152,910,887</u></u>
ESTIMATED LIABILITIES:		
	<i>Public Liability</i>	<i>Workmen's Compensation</i>
Balances July 1, 1965	\$13,100,000	\$6,200,000
Accrual	5,000,000	1,000,000
	<u>18,100,000</u>	<u>7,200,000</u>
Payments	3,800,000	800,000
Balances June 30, 1966	<u><u>\$14,300,000</u></u>	<u><u>\$6,400,000</u></u>

NEW YORK CITY TRANSIT AUTHORITY

Disposition of Bond Proceeds at June 30, 1966

	1962 SERIES A BONDS	1963 SERIES A BONDS	TOTAL
Bond Proceeds Account:			
Cash and securities on deposit and unamortized bond expenses	\$ 1,041,473	\$ 1,440,450	\$ 2,481,923
Debt Service Reserve Fund:			
Cash and securities on deposit as guarantee against payment of principal and interest on the bonds.....	3,147,925	2,409,872	5,557,797
Unexpended proceeds from long term debt.....	\$ 4,189,398	\$ 3,850,322	\$ 8,039,720
Rapid Transit Passenger Cars:			
Proceeds expended for cars received (See Note)....	46,710,602	34,449,678	81,160,280
Total bond issue.....	\$50,900,000	\$38,300,000	\$89,200,000
Less bonds retired.....	1,575,000	1,125,000	2,700,000
Bonds outstanding at June 30, 1966.....	\$49,325,000	\$37,175,000	\$86,500,000

Status of Bonds Funds at June 30, 1966

BONDS ISSUED	TOTAL PROCEEDS	1962 SERIES A BOND PROCEEDS ACCOUNT	1963 SERIES A BOND PROCEEDS ACCOUNT	DEBT SERVICE RESERVE FUND
November 1962	\$50,900,000	\$47,752,075	\$ —	\$ 3,147,925
August 1963	38,300,000	—	35,890,128	2,409,872
	<u>\$89,200,000</u>	<u>\$47,752,075</u>	<u>\$35,890,128</u>	<u>\$ 5,557,797</u>
<i>Cost of Cars Purchased (See Note)</i>				
To June 30, 1965	59,114,310	46,710,602	12,403,708	—
	<u>30,085,690</u>	<u>1,041,473</u>	<u>23,486,420</u>	<u>5,557,797</u>
Fiscal Year 1965-66	22,045,970	—	22,045,970	—
Unexpended	<u>\$ 8,039,720</u>	<u>\$ 1,041,473</u>	<u>\$ 1,440,450</u>	<u>\$ 5,557,797</u>

NOTE: Pursuant to Agreement with the City of New York dated June 16, 1965, title to 50 cars costing \$5,509,900 was transferred to the City.

NEW YORK CITY TRANSIT AUTHORITY

Statement of Results of Operation for Fiscal Year Ended June 30, 1966

Revenues:	TOTAL	RAPID TRANSIT	SURFACE
Passenger Revenue	\$251,052,721	\$189,724,852	\$ 61,327,869
School Fare Program Revenue from City.....	19,705,684	8,626,226	11,079,458
Total Passenger Revenue.....	\$270,758,405	\$198,351,078	\$ 72,407,327
Advertising	3,784,949	3,159,311	625,638
Station Concessions	2,692,317	2,692,317	—
Interest Income	1,095,578	805,369	290,209
Rentals and Miscellaneous	1,529,751	1,474,828	54,923
Total Revenues	\$279,861,000	\$206,482,903	\$ 73,378,097
Expenses:			
Salaries and Wages.....	\$268,762,018	\$206,857,178	\$ 61,904,840
Pension Costs – City Retirement System.....	28,746,049	22,158,061	6,587,988
Social Security – Employer's Share.....	7,211,536	5,560,269	1,651,267
Health and Welfare Benefits.....	9,930,951	7,677,179	2,253,772
Power Purchased	28,465,315	28,051,605	413,710
Fuel for Buses	1,648,429	—	1,648,429
Materials and Supplies	15,234,945	12,552,391	2,682,554
Rentals of Tires, Trucks and Other Equipment.....	2,105,310	1,359,619	745,691
Provision for Public Liability.....	5,000,000	2,900,000	2,100,000
Provision for Workmen's Compensation.....	1,000,000	771,079	228,921
Maintenance by Outside Parties.....	1,933,740	1,645,675	288,065
Miscellaneous	3,476,334	2,713,403	762,931
Credit from City for Transit Police Services.....	(31,321,191)	(30,789,805)	(531,386)
Credit Arising from Prior Years' Capital Projects...	(1,745,955)	(1,745,955)	—
Total Expenses	\$340,447,481	\$259,710,699	\$ 80,736,782
Net Income (Net Loss)	\$ (60,586,481)	\$ (53,227,796)	\$ (7,358,685)

NOTE: Results of operation affected by transit strike January 1-13, 1966.

Revenue Car and Bus Miles	368,622,683	303,828,951	64,793,732
Revenues per Car and Bus Mile.....	75.92¢	67.96¢	113.25¢
Expenses per Car and Bus Mile	92.36¢	85.48¢	124.61¢
Revenue Passengers	1,755,528,349	1,295,839,328	459,689,021
Average Rate of Fare.....	15.08¢	15.10¢	15.02¢
Revenues per Revenue Passenger	15.94¢	15.93¢	15.96¢
Expenses per Revenue Passenger	19.39¢	20.04¢	17.56¢
Number of Employees:	36,450		
Hourly Rated	28,819		
Annually Rated	7,631		

NUMBER OF REVENUE PASSENGERS OF SURFACE DIVISIONS (in thousands)

Fiscal Year Ended June 30	Brooklyn	Staten Island	Queens	Manhattan	Total
1957	286,054	25,204	69,914	33,731	414,903
1958	282,871	25,126	71,257	33,796	413,050
1959	283,059	25,392	73,806	34,344	416,601
1960	292,427	25,770	77,068	35,749	431,014
1961	290,132	26,296	79,578	36,365	432,371
1962	298,955	26,406	80,330	40,121	445,812
1963	304,461	27,344	84,337	41,143	457,285
1964	306,828	28,433	89,703	43,857	468,821
1965	305,572	28,783	91,830	44,602	470,787
(a) 1966	297,000	27,864	89,587	43,418	457,869
World's Fair (Excluded above)					
1964	615	—	485	—	1,100
1965	1,481	—	1,138	—	2,619
1966	1,084	—	736	—	1,820

(a) Disruption of service due to transit strike from January 1 to 13, 1966.

**AVERAGE NUMBER OF SATURDAY, SUNDAY & HOLIDAY PASSENGERS
AS A PERCENTAGE OF AVERAGE WEEKDAY PASSENGERS**

Fiscal Year Ended June 30	Rapid Transit Lines	Surface Lines	System Total
1957	39.03%	50.96%	41.73%
1958	37.22	48.66	39.86
1959	38.19	48.75	40.64
1960	37.29	48.95	40.03
1961	37.70	49.88	40.65
1962	37.71	49.19	40.44
1963	37.61	48.14	40.18
1964	*37.45	*47.69	*39.99
1965	*36.95	*46.98	*39.47
(a) 1966	*37.58	*47.09	*40.01

In the year ended June 30, 1966, the average number of passengers per weekday was *4,506,646 on the rapid transit and *1,550,207 on the surface lines.

* World's Fair passengers in 1964, 1965 and 1966 were eliminated for purpose of comparison with other years.

(a) Disruption of service due to transit strike from January 1 to 13, 1966.

**PEAK HOUR RAPID TRANSIT PASSENGERS AS A PERCENTAGE
OF THE 24-HOUR TOTAL ON A TYPICAL WEEKDAY**

	Two Morning Peak Hours 7 - 9 A.M.	Three Evening Peak Hours 4 - 7 P.M.
1957	26.83%	31.61%
1958	25.91	30.84
1959	26.09	30.92
1960	25.77	30.83
1961	25.40	29.69
1962	25.57	30.54
1963	25.51	30.12
1964	24.90	30.40
1965	25.34	30.06
(a) 1966	25.71	30.64

(a) Disruption of service due to transit strike from January 1 to 13, 1966.